QUARTERLY REPORT

LICENSEE ADAMAR OF NEW JERSEY, INC. d/b/a/ TROPICANA CASINO & RESORT

FOR THE QUARTER ENDED Dec. 31, 20 01

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

DIVISION OF FINANCIAL EVALUATION
REPORTING MANUAL

TRADING NAME OF LICENSEE TROPICANA CASINO AND RESORT

BALANCE SHEETS

AS OF DECEMBER 31, 2001 AND 2000

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2001 (c)	2000 (d)
	ASSETS		
	Current Assets:		
1	Cash and Cash Equivalents	$ 17,334	$ 20,668
2	Short-Term Investments	0	0
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2001, $17,716; 2000, $17,296)	16,402	17,098
4	Inventories	3,257	3,318
5	Prepaid Expenses and Other Current Assets (Note 5,8,10)	12,432	11,874
6	Total Current Assets	49,425	52,958
7	Investments, Advances, and Receivables (Note 6,7,11,14)	25,839	21,523
8	Property and Equipment - Gross (Note 2)	756,873	723,586
9	Less: Accumulated Depreciation and Amortization (Note 2)	(212,684)	(191,713)
10	Property and Equipment - Net (Note 2)	544,189	531,873
11	Other Assets (Note 5,8)	10,415	14,507
12	Total Assets	$ 629,868	$ 620,861
	LIABILITIES AND EQUITY		
	Current Liabilities:		
13	Accounts Payable	$ 11,523	$ 8,018
14	Notes Payable	0	0
	Current Portion of Long-Term Debt:		
15	Due to Affiliates	0	0
16	Other (Note 3,14)	703	750
17	Income Taxes Payable and Accrued	0	0
18	Other Accrued Expenses (Note 12)	21,993	20,299
19	Other Current Liabilities (Note 6)	5,922	4,514
20	Total Current Liabilities	40,141	33,581
	Long-Term Debt:		
21	Due to Affiliates (Note 3,7,14)	448,041	448,041
22	Other (Note 3,14)	409	1,036
23	Deferred Credits	0	0
24	Other Liabilities (Note 7,13)	8,102	8,674
25	Commitments and Contingencies (Note 6)	0	0
26	Total Liabilities	496,693	491,332
27	Stockholder's, Partners', or Proprietor's Equity (Note 7)	133,175	129,529
28	Total Liabilities and Equity	$ 629,868	$ 620,861

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TROPICANA CASINO AND RESORT

STATEMENTS OF INCOME

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2001 AND 2000

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2001 (c)	2000 (d)
	Revenue:		
1	Casino	$ 409,114	$ 418,958
2	Rooms	46,194	45,509
3	Food and Beverage	50,067	52,306
4	Other	12,373	14,456
5	Total Revenue	517,748	531,229
6	Less: Promotional Allowances	58,577	62,365
7	Net Revenue	459,171	468,864
	Costs and Expenses:		
8	Cost of Goods and Services (Note 4,7)	239,063	245,665
9	Selling, General, and Administrative (Note 7)	94,632	106,773
10	Provision for Doubtful Accounts	3,198	3,367
11	Total Costs and Expenses	336,893	355,805
12	Gross Operating Profit	122,278	113,059
13	Depreciation and Amortization (Note 2)	25,139	24,649
	Charges from Affiliates Other than Interest:		
14	Management Fees (Note 7)	32,083	31,767
15	Other	0	0
16	Income (Loss) from Operations	65,056	56,643
	Other Income (Expenses):		
17	Interest (Expense) - Affiliates (Note 3)	(54,771)	(46,447)
18	Interest (Expense) - External (Note 3)	1,201	(442)
19	Investment Alternative Tax and Related Income (Expense) - Net...(Note 6)	(1,465)	(1,808)
20	Nonoperating Income (Expense) - Net (Note 4,15)	(3,769)	(3,714)
21	Total Other Income (Expenses)	(58,804)	(52,411)
22	Income (Loss) Before Income Taxes and Extraordinary Items	6,252	4,232
23	Provision (Credit) for Income Taxes (Note 8)	2,606	(1,697)
24	Income (Loss) Before Extraordinary Items	3,646	5,929
25	Extraordinary Items (Net of Income Taxes - 2001, $0 ; 2000, $0)	0	0
26	Net Income (Loss)	$ 3,646	$ 5,929

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TROPICANA CASINO AND RESORT

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED DECEMBER 31, 2001 AND 2000

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2001 (c)	2000 (d)
	Revenue:		
1	Casino	$ 97,902	$ 96,247
2	Rooms	11,216	10,845
3	Food and Beverage	12,983	12,506
4	Other	3,031	3,879
5	Total Revenue	125,132	123,477
6	Less: Promotional Allowances	14,730	14,850
7	Net Revenue	110,402	108,627
	Costs and Expenses:		
8	Cost of Goods and Services (Note 4,7)	58,011	60,511
9	Selling, General, and Administrative (Note 7)	23,120	24,019
10	Provision for Doubtful Accounts	941	890
11	Total Costs and Expenses	82,072	85,420
12	Gross Operating Profit	28,330	23,207
13	Depreciation and Amortization (Note 2)	6,425	6,246
	Charges from Affiliates Other than Interest:		
14	Management Fees (Note 7)	7,925	7,500
15	Other	0	0
16	Income (Loss) from Operations	13,980	9,461
	Other Income (Expenses):		
17	Interest (Expense) - Affiliates (Note 3)	(14,325)	(13,441)
18	Interest (Expense) - External (Note 3)	461	(40)
19	Investment Alternative Tax and Related Income (Expense) - Net...(Note 6)	(353)	(393)
20	Nonoperating Income (Expense) - Net (Note 4,15)	(1,115)	(848)
21	Total Other Income (Expenses)	(15,332)	(14,722)
22	Income (Loss) Before Income Taxes and Extraordinary Items	(1,352)	(5,261)
23	Provision (Credit) for Income Taxes (Note 8)	(1,704)	(1,886)
24	Income (Loss) Before Extraordinary Items	352	(3,375)
25	Extraordinary Items (Net of Income Taxes - 2001, $0 ; 2000, $0)	0	0
26	Net Income (Loss)	$ 352	$ (3,375)

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADE NAME OF LICENSEE TROPICANA CASINO AND RESORT

STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2000 AND THE TWELVE MONTHS ENDED DECEMBER 31, 2001

(UNAUDITED)
($ IN THOUSAND)

Line (a)	Description (b)	Common Stock Shares (c)	Common Stock Amount (d)	Preferred Stock Shares (e)	Preferred Stock Amount (f)	Additional Paid-In Capital (g)	(h)	Retained Earnings (Accumulated) (Deficit) (i)	Total Stockholder's Equity (Deficit) (j)
1	**Balance, December 31, 1999**	100	$ 1	0	$ 0	$ 325,390	$ 0	$ 49,209	$ 374,600
2	Net Income (Loss) - 2000							5,929	5,929
3	Contribution to Paid-in-Capital								
4	Dividends (Note 7)					(198,319)		(52,681)	(251,000)
5	Prior Period Adjustments								
6									
7									
8									
9									
10	**Balance, December 31, 2000**	100	$ 1	0	$ 0	$ 127,071	$ 0	$ 2,457	$ 129,529
11	Net Income (Loss) - 2001							3,646	3,646
12	Contribution to Paid-in -Capital								
13	Dividends								
14	Prior Period Adjustments								
15									
16									
17									
18									
19	**Balance, December 31, 2001**	100	$ 1	0	$ 0	$ 127,071	$ 0	$ 6,103	$ 133,175

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TROPICANA CASINO AND RESORT

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2001 AND 2000

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2001 (c)	2000 (d)
1	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 38,014	$ 40,181
	CASH FLOWS FROM INVESTING ACTIVITIES:		
2	Purchase of Short-Term Investment Securities		
3	Proceeds from the Sale of Short-Term Investment Securities		
4	Cash Outflows for Property and Equipment	(35,052)	(10,513)
5	Proceeds from Disposition of Property and Equipment	74	36
6	Purchase of Casino Reinvestment Obligations	(5,179)	(5,290)
7	Purchase of Other Investments and Loans/Advances made	(2,295)	0
8	Proceeds from Disposal of Investments and Collection of Advances and Long-Term Receivables	1,857	61,684
9	Cash Outflows to Acquire Business Entities		
10			
11			
12	Net Cash Provided (Used) By Investing Activities	(40,595)	45,917
	CASH FLOWS FROM FINANCING ACTIVITIES:		
13	Cash Proceeds from Issuance of Short-Term Debt		
14	Payments to Settle Short-Term Debt		
15	Cash Proceeds from Issuance of Long-Term Debt	0	192,000
16	Costs of Issuing Debt		
17	Payments to Settle Long-Term Debt	(753)	(30,414)
18	Cash Proceeds from Issuing Stock or Capital Contributions		
19	Purchases of Treasury Stock		
20	Payments of Dividends or Capital Withdrawals	0	(251,000)
21			
22			
23	Net Cash Provided (Used) By Financing Activities	(753)	(89,414)
24	Net Increase (Decrease) in Cash and Cash Equivalents	(3,334)	(3,316)
25	Cash and Cash Equivalents at Beginning of Period	20,668	23,984
26	Cash and Cash Equivalents at End of Period	$ 17,334	$ 20,668

	CASH PAID DURING PERIOD FOR:		
27	Interest (Net of Amount Capitalized)	$ 59,012	$ 124,378
28	Income Taxes	$	$

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TROPICANA CASINO AND RESORT

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2001 AND 2000

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2001 (c)	2000 (d)
	NET CASH FLOWS FROM OPERATING ACTIVITIES:		
29	Net Income (Loss)	$ 3,646	$ 5,929
	Noncash Items Included in Income and Cash Items Excluded from Income:		
30	Depreciation and Amortization of Property and Equipment	24,812	24,322
31	Amortization of Other Assets	327	327
32	Amortization of Debt Discount or Premium		
33	Deferred Income Taxes - Current	(2,534)	(804)
34	Deferred Income Taxes - Noncurrent	4,734	(893)
35	(Gain) Loss on Disposition of Property and Equipment	118	173
36	(Gain) Loss on Casino Reinvestment Obligations	1,301	1,638
37	(Gain) Loss from Other Investment Activities		
38	Net (Increase) Decrease in Receivables and Patrons' Checks	696	691
39	Net (Increase) Decrease in Inventories	61	(158)
40	Net (Increase) Decrease in Other Current Assets	1,976	247
41	Net (Increase) Decrease in Other Assets	(969)	209
42	Net Increase (Decrease) in Accounts Payable	3,505	583
43	Net Increase (Decrease) in Other Current Liabilities Excluding Debt	3,102	1,866
44	Net Increase (Decrease) in Other Noncurrent Liabilities Excluding Debt	(2,761)	6,051
45	Extraordinary items (net of tax)		
46			
47	Net Cash Provided (Used) By Operating Activities	$ 38,014	$ 40,181

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

LINE	DESCRIPTION	2001	2000
	ACQUISITION OF PROPERTY AND EQUIPMENT:		
48	Additions to Property and Equipment	$ (35,131)	$ (10,513)
49	Less: Capital Lease Obligations Incurred/Retired	79	0
50	Cash Outflows for Property and Equipment	$ (35,052)	$ (10,513)
	ACQUISITION OF BUSINESS ENTITIES:		
51	Property and Equipment Acquired	$ 0	$ 0
52	Goodwill Acquired	0	0
53	Net Assets Acquired Other than Cash, Goodwill, and Property and Equipment	0	0
54	Long-Term Debt Assumed	0	0
55	Issuance of Stock or Capital Invested	0	0
56	Cash Outflows to Acquire Business Entities	$ 0	$ 0
	STOCK ISSUED OR CAPITAL CONTRIBUTIONS:		
57	Total Issuances of Stock or Capital Contributions	$ 0	$ 0
58	Less: Issuances to Settle Long-Term Debt	0	0
59	Consideration in Acquisition of Business Entities	0	0
60	Cash Proceeds from Issuing Stock or Capital Contributions	$ 0	$ 0

Capital Lease Obligations of $79 and $0 were incurred for 2001 and 2000, respectively, and capital lease obligation retirements of $0 and $0 were incurred for 2001 and 2000, respectively.

The Company incurred an intercompany payable in exchange for assets from the parent Company in the amount of $2,189.

TRADING NAME OF LICENSEE TROPICANA CASINO AND RESORT

SCHEDULE OF PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2001

		Promotional Allowances		Promotional Expenses	
Line (a)	(b)	Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	313,320	$ 23,847	0	$ 0
2	Food	2,280,277	22,346	15,747	154
3	Beverage	7,018,164	8,420	0	0
4	Travel	0	0	15,419	5,396
5	Bus Program Cash	0	0	752,291	11,807
6	Other Cash Complimentaries	0	0	1,013,739	21,968
7	Entertainment	45,812	159	44,930	899
8	Retail & Non-Cash Gifts	0	0	0	0
9	Parking	0	0	0	0
10	Other	694,430	3,805	396,057	1,853
11	Total	10,352,003	$ 58,577	2,238,183	$ 42,077

FOR THE THREE MONTHS ENDED DECEMBER 31, 2001

		Promotional Allowances		Promotional Expenses	
Line (a)	(b)	Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	77,123	$ 5,874	0	$ 0
2	Food	595,045	5,831	3,210	31
3	Beverage	1,795,155	2,038	0	0
4	Travel	0	0	3,958	1,385
5	Bus Program Cash	0	0	179,798	2,618
6	Other Cash Complimentaries	0	0	254,311	4,968
7	Entertainment	7,568	49	14,769	296
8	Retail & Non-Cash Gifts	0	0	0	0
9	Parking	0	0	0	0
10	Other	176,860	938	120,596	530
11	Total	2,651,751	$ 14,730	576,642	$ 9,828

** There are no complimentary services or items in Line 10 "other" which exceeds 5% of that column's total.

ADAMAR OF NEW JERSEY, INC.
DBA TROPICANA CASINO AND RESORT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2001

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements include the accounts of Adamar of New Jersey, Inc. (the "Company") and its wholly-owned subsidiary, Manchester Mall, Inc., ("Manchester"), after elimination of all significant intercompany accounts and transactions.

The Company operates a casino hotel in Atlantic City, New Jersey and is a subsidiary of Ramada New Jersey Holdings Corporation ("RNJHC") which is, in turn, a wholly-owned subsidiary of Aztar Corporation ("Aztar"). The financial statements reflect the intercompany transactions and accounts with RNJHC, Aztar and affiliates.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Recent Accounting Pronouncements

In August 2001, the Financial Accounting Standards Board issued Statement No. 143, "Accounting for Obligations Associated with the Retirement of Long-Lived Assets". The objectives of SFAS 143 are to establish accounting standards for the recognition and measurement of an asset retirement obligation and its associated asset retirement cost. SFAS 143 is effective for fiscal years beginning after June 15, 2002. Based upon a preliminary review, the Company has no asset retirement obligation at December 31, 2001.

In October 2001, the Financial Accounting Standards Board issued Statement No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets". SFAS 144 addresses financial accounting and reporting for the impairment or disposal of long-lived assets, and broadens the presentation of discontinued operations to include more disposal transactions. SFAS 144 is effective for fiscal years beginning after December 15, 2001 and, generally, is to be applied prospectively. SFAS 144 has no effect on the financial statements of the Company at December 31, 2001 or on its results of operations or cash flows for the periods then ended.

Cash and cash equivalents

Highly liquid debt instruments purchased with a maturity of three months or less that are not being held pending reinvestment in capital projects are classified as cash and cash equivalents. These instruments are stated at cost, which approximates fair value because of their short maturity.

Inventories

Inventories, which consist primarily of food, beverage, uniforms and operating supplies are stated at the lower of cost or market. Cost has been determined using the average cost method.

Advertising Costs

Costs for advertising are expensed as incurred, except costs for direct-response advertising, which are capitalized and amortized over the period of the related program. Direct-response advertising costs consist primarily of mailing costs associated with direct-mail programs. Capitalized advertising costs included in prepaid expenses were immaterial at December 31, 2001 and 2000. Advertising costs that were expensed during the year were $8,107,000 in 2001 and $8,663,000 in 2000.

Concentration of Credit Risk

Financial instruments which potentially subject the Company to concentration of credit risk consist principally of temporary cash investments in excess of $100,000 which are all invested in the same financial institution.

Property and equipment

Property and equipment are stated at historical cost. Maintenance and repairs are charged to operations when incurred. Renewals and betterments which significantly extend the useful lives of existing property and equipment are capitalized. During construction the Company capitalizes interest and other direct and indirect development costs. Interest is capitalized monthly by applying the effective interest rate on certain borrowings to the average balance of expenditures. Gains or losses on dispositions of property and equipment are reflected in earnings as realized.

Depreciation is computed on the straight-line basis over the estimated useful lives (building and improvements - 3 to 40 years; equipment, furniture and fixtures - 3 to 15 years).

Leasehold improvements are amortized over the lower of the estimated useful life of the improvement or the term of the related lease.

CRDA Investment

The Company is required to invest one and one-quarter percent of gross casino revenue for the purchase of bonds to be issued by the Casino Reinvestment Development Authority ("CRDA") or make other approved investments equal to that amount. As mandated by the legislation, the interest rate of the CRDA bonds purchased by the licensee will be two-thirds of the average market rate for bonds available for purchase and published by a national bond index at the time of the CRDA bond issuance. The CRDA bonds are classified as held-to maturity securities and are carried at amortized cost. The average interest rate on the CRDA investment was 3.1% and 4.0% for 2001 and 2000, respectively.

New Jersey Gaming License Costs

Gaming license costs are capitalized and amortized over the renewal period. Amortization expense for gaming license costs for 2001 and 2000 was $420,000 and $412,000, respectively.

Casino Revenue

Casino revenue consists of the net win from gaming activities, which is the difference between gaming wins and losses. For the year ended December 31, 2001, the total casino revenue was $409,114,000 which is comprised of $128,092,000 for games revenue and $281,022,000 for slot revenue. For the year ended December 31, 2000, the total casino revenue was $418,958,000 which is comprised of $131,250,000 for games revenue and $287,708,000 for slot revenue. Estimated payouts for progressive slot machine balances are recorded as liabilities in the accompanying financial statements.

Complimentaries

The retail value of complimentary food, beverage, and hotel services furnished to customers is included in gross revenues and then deducted as promotional allowances in arriving at net revenue.

Income taxes

Deferred tax assets and liabilities are recognized for the expected future tax consequences of events that have been included in the financial statements or income tax returns. Deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted rates expected to apply to taxable income in the years in which those differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

NOTE 2. PROPERTY AND EQUIPMENT

At December 31, 2001 and 2000, the components of property and equipment consisted of:

	2001	2000
Land and land improvements	$ 51,283,000	$ 51,224,000
Building and improvements	558,317,000	552,668,000
Furniture, fixtures and equipment	124,595,000	109,879,000
Leased personal property	5,138,000	7,418,000
Construction in progress	17,540,000	2,397,000
Total property and equipment-gross	756,873,000	723,586,000
Less accumulated depreciation and amortization	(212,684,000)	(191,713,000)
Total property and equipment	$544,189,000	$531,873,000

Depreciation expense relating to property and equipment amounted to $24,812,000 and $24,322,000 for the years ended December 31, 2001 and 2000, respectively. Capitalized interest for the years ended December 31, 2001 and December 31, 2000 was $1,326,000 and $0, respectively.

NOTE 3. LONG-TERM DEBT

At December 31, 2001 and 2000, Long-Term Debt consisted of:

	2001	2000
Notes Payable - Aztar Corporation; 12.0% due 2004	$448,041,000	$448,041,000
Long-term debt due to affiliates	448,041,000	448,041,000
Obligations under capital leases	1,112,000	1,786,000
Total Affiliates and Other	449,153,000	449,827,000
Less: current portion	(703,000)	(750,000)
Total long-term debt	$448,450,000	$449,077,000

The aggregate fixed maturities for all long-term debt are:

2002	$ 703,000
2003	221,000
2004	448,185,000
2005	42,000
2006	2,000
Total	$ 449,153,000

NOTE 4. LEASE OBLIGATIONS

The Company entered into an agreement with Adamar Garage Corporation ("AGC"), an affiliate of the Company, for the lease of the Transportation Center (a 1,100-space self-park garage and a 9-bay bus terminal) and a 1,100-space parking garage along with the land, all improvements and air rights. The rental amount is $4,700,000 per year and will expire on February 4, 2078.

Minimum future lease obligations on noncancelable leases at December 31, 2001 are as follows:

YEAR	OPERATING
2002	$ 5,139,000
2003	4,921,000
2004	4,925,000
2005	4,929,000
2006	4,770,000
Thereafter	334,092,000
Total	$ 358,776,000

Rental expenses under operating leases for 2001 and 2000 amounted to $7,437,000 and $7,291,000, respectively.

NOTE 5. DEFERRED CREDITS

Deferred credits consist of income taxes due to timing differences between financial and taxable income.

NOTE 6. COMMITMENTS AND CONTINGENCIES

Licensing

On November 26, 1982, the Company was granted a plenary gaming license by the New Jersey Casino Control Commission. The license is renewable every four years. The license renewal period is effective through November 30, 2003. Management has received no indication that future renewals will not be granted.

The Company is a party to various claims, legal actions and complaints arising in the ordinary course of business or asserted by way of defense or counter-claim in actions filed by the Company. Management believes that its defenses are substantial in each of these matters, and the Company's legal posture can be successfully defended or satisfactorily settled without material adverse effect on its consolidated financial position.

The New Jersey Casino Control Commission imposes an annual tax of eight percent on gross revenue. Pursuant to legislation adopted in 1984, casino licensees are required to invest an additional one and one-quarter percent of gross casino revenue for the purchase of bonds to be issued by the CRDA or make other approved investments equal to that amount; in the event the investment requirement is not met, the casino licensee is subject to a tax of two and one-half percent on gross casino revenue. As mandated by the legislation, the interest rate of the CRDA bonds purchased by the licensee will be two-thirds of the average market rate for bonds available for purchase and published by a national bond index at the time of the CRDA bond issuance. The CRDA bonds have various contractual maturities that range from 13 to 46 years.

Actual maturities may differ from contractual maturities because of prepayment rights. The Company's reinvestment obligation for 2001 and 2000, respectively, was $5,179,000 and $5,290,000 for the purchase of CRDA bonds. The Company recorded for 2001 and 2000 a loss provision of $1,301,000 and $1,638,000, respectively. The loss provision is to recognize the effect of the below market interest rate the bonds would have borne had they been issued on December 31, 2001.

In May 1996, the Company completed construction on an expansion project. The expansion consisted primarily of a new 604-room hotel tower, with additional restaurant and support facilities in the existing operation. The Company has executed a credit agreement with the CRDA for approximately $24,500,000 in funding for this project. The Company receives funds from the CRDA based on expenditures made for the project to the extent the Company has available funds on deposit with the CRDA that qualify for this funding. As of December 31, 2001, the Company received approximately $23,000,000 in funding from the CRDA under this agreement. At December 31, 2001, the Company had approximately $250,000 in available deposits with the CRDA that qualified and accordingly was reclassified to accounts receivable. The balance of funding will be realized from portions of future CRDA deposits.

NOTE 7. RELATED PARTIES

Transactions with affiliates consist of expenditures by affiliates on the Company’s behalf including purchases of assets, facility rental, and administrative expenses or cash advances to affiliates or other receivables from affiliates. The Company has many significant transactions with Aztar.

Aztar performs various corporate services for the Company. For the years ended December 31, 2001 and 2000, Aztar charged the Company a management fee of $32,083,000 and $31,767,000, respectively.

Due to affiliates are reflected in Other Liabilities. The identity of the affiliate and corresponding balances at December 31, 2001 and 2000 are:

	2001	2000
Due to Aztar Corporation	$ -	$ 5,377,000
Due to Tropicana West	-	40,000
Due to Ramada New Jersey, Inc.	126,000	50,000
Due to Adamar Garage Corporation	7,863,000	3,164,000
Due to Atlantic Deauville, Inc.	113,000	43,000
	$ 8,102,000	$ 8,674,000

Advances to affiliates are reflected in Investments, Advances and Receivables. The identity of the affiliate and corresponding balances at December 31, 2001 and 2000 are:

	2001	2000
Due from Aztar Corporation	$ 433,000	$ -
Advances to Tropicana West	1,862,000	-
	$ 2,295,000	$ -

Notes payable to related parties are included in Long-term debt to affiliates (See Note 3). The identity of the affiliate and corresponding balances at December 31, 2001 and 2000 are:

PAYEE	2001	2000
Aztar Corporation	$448,041,000	$448,041,000

On June 1, 2000, the Company borrowed $192,000,000 from Aztar which is evidenced by a 12% interest bearing note due 2004. The Company also received payment from Aztar of $59,000,000 which was applied against the net intercompany receivable. The Company then paid a dividend to Ramada New Jersey Holdings Corporation to the extent of Retained Earnings at June 1, 2000, of $52,681,000 and a return of capital of $198,319,000 for a total of $251,000,000. On September 27, 2000, the Company paid $27,000,000 to Aztar reducing the $192,000,000 note to $165,000,000.

For the twelve months ended December 31, 2001 and 2000 the Company incurred charges from affiliates which are indicated in the accompanying Statements of Income as Cost of Goods and Services and Selling, General, and Administrative. The nature of the charges and dollar amounts are as follows:

	2001	2000
COST OF GOODS AND SERVICES		
Executive deferred compensation plan	$ 6,000	$ 7,000
Property insurance	723,000	617,000
	729,000	624,000
SELLING, GENERAL AND ADMINISTRATIVE		
Insurance	334,000	337,000
Executive deferred compensation plan	25,000	27,000
Claims	18,000	38,000
Professional Services	7,000	36,000
	384,000	438,000
Total	$ 1,113,000	$ 1,062,000

NOTE 8. INCOME TAXES

The provision/(benefit) for income taxes is comprised of:

	2001	2000
Current:		
Federal	$ -	$ -
State	406,000	-
	406,000	-
Deferred:		
Federal	3,153,000	(1,697,000)
State	(953,000)	-
	2,200,000	(1,697,000)
	$ 2,606,000	$(1,697,000)

For income tax purposes, the Company is included in Aztar's consolidated corporate federal income tax return. The Company uses a separate return method for purposes of allocating the consolidated tax provision. In connection with Internal Revenue Service ("IRS") examinations of the income tax returns for the years 1988 through 1996, an issue was resolved, which was the last remaining issue for the years 1988 through 1991, that resulted in an income tax benefit of approximately $3,400,000 in 2000.

The IRS has completed its examination of the Company's income tax returns for the years 1992 and 1993 and has settled for all but one issue. The Company has filed a petition in the United States Tax Court for this issue for 1992 and 1993. The IRS is examining the Company's income tax returns for 1994 through 1999 and has settled for all but the same issue. The New Jersey Division of Taxation is examining the New Jersey income tax returns for the years 1995 through 1998. Management believes that adequate provision for income taxes has been made in the financial statements.

General business credits are taken as a reduction of the provision for income taxes during the year such credits become available. The following table provides a reconciliation between amounts determined by applying the statutory federal income tax rate to pretax income and the provision/(benefit) for income taxes:

	2001	2000
Provision at statutory rate	$ 2,188,000	$ 1,481,000
Increase/(decrease) in tax resulting from:		
State income taxes, net	(356,000)	-
Change in valuation allowance	908,000	-
Nondeductible business expenses	324,000	757,000
IRS examination	-	(3,455,000)
General business credits	(233,000)	(174,000)
Non qualified stock options	(210,000)	(292,000)
Other	(15,000)	(14,000)
	$ 2,606,000	$ (1,697,000)

The income tax effects of loss carryforwards, tax credit carryforwards and temporary differences between financial and income tax reporting that give rise to the deferred income tax assets and liabilities at December 31, 2001 and 2000, are as follows:

	2001	2000
Net operating loss carryforward	$ 18,291,000	$ 21,196,000
Accrued liabilities	7,938,000	8,869,000
General business credits	4,072,000	3,714,000
Accrued bad debt expense	7,237,000	7,065,000
Accrued compensation	1,882,000	1,774,000
Gross deferred tax assets	39,420,000	42,618,000
Deferred tax asset valuation allowance	(908,000)	(747,000)
Depreciation and amortization	(18,085,000)	(19,558,000)
Other	(4,831,000)	(4,517,000)
Gross deferred tax liabilities	(22,916,000)	(24,075,000)
Net deferred tax assets	$ 15,596,000	$ 17,796,000

Gross deferred tax assets are reduced by a valuation allowance. The beginning-of-year valuation allowance was decreased during 2001 which caused a decrease in income tax expense of $747,000 and was increased during 2000 which caused an increase in income tax expense of $197,000. Realization of the remaining net deferred tax asset at December 31, 2001 is dependent on generating sufficient taxable income prior to expiration of the net operating loss and general business credit carryforwards. Although realization is not assured, management believes it is more likely than not that all of the net deferred tax asset will be realized. The amount of the net deferred tax asset considered realizable, however, could change in the near term if estimates of future taxable income during the carryforward period are changed.

At December 31, 2001, tax benefits are available for federal income tax purposes as follows:

Net operating losses	$ 52,260,000
General business credits	4,072,000

These tax benefits will expire in the years 2003 through 2021 if not used.

NOTE 9. RETIREMENT PLANS

The Company has a defined contribution plan that covers substantially all employees who are not covered by a collective bargaining unit. The plan allows employees, at their discretion, to make contributions of their before-tax earnings to the plan up to an annual maximum amount. The Company matches 50% of the employee contributions that are based on up to 6% in 2001 and up to 4% in 2000 of an employee's before-tax earnings. Compensation expense in 2001 and 2000, respectively, with regard to Company matching contributions was $1,423,000 and $932,000.

Aztar's Employee Stock Ownership Plan ("ESOP") covered substantially all non-union employees. In 2001, the ESOP was merged into the Aztar Corporation 401(k) Plan ("401(k) Plan") and the assets of the ESOP were subsequently transferred to the 401(k) Plan. Beginning January 1, 2001, the ESOP Stock was held by the Aztar Corporation 401(k) Plan Stock and Insurance Trust.

The Company makes contributions based on hours worked, as specified in five union agreements, to union administered, multiemployer, defined contribution pension plans. Contributions to these plans during 2001 and 2000 amounted to $2,065,000 and $1,962,000, respectively.

NOTE 10. PREPAID EXPENSES AND OTHER CURRENT ASSETS

At December 31, 2001 and 2000, Prepaid Expenses and Other Current Assets consisted of the following:

	2001	2000
Current deferred taxes	$ 10,622,000	$ 8,088,000
Other	1,810,000	3,786,000
Total	$ 12,432,000	$ 11,874,000

NOTE 11. INVESTMENTS, ADVANCES, AND RECEIVABLES

At December 31, 2001 and 2000, Investments, Advances, and Receivables consisted of the following:

	2001	2000
Due from affiliates	$ 2,295,000	$ -
CRDA investments	23,544,000	21,523,000
Total	$ 25,839,000	$ 21,523,000

NOTE 12. OTHER ACCRUED EXPENSES

At December 31, 2001 and 2000, Other Accrued Expenses consisted of the following:

	2001	2000
Accrued payroll taxes and benefits	$ 12,521,000	$ 11,519,000
Accrued progressive slot win	938,000	863,000
Accrued claims reserve	780,000	753,000
Other	7,754,000	7,164,000
Total	$ 21,993,000	$ 20,299,000

NOTE 13. OTHER LIABILITIES

At December 31, 2001 and 2000, Other Liabilities consisted of Due to affiliates identified in Note 7.

NOTE 14. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table presents (in thousands) the carrying amounts and estimated fair values of the Company's financial instruments at December 31, 2001 and 2000, respectively. The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

	2001		2000	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets				
Investments	$ 23,544	$ 23,544	$ 21,523	$ 21,523
Liabilities				
Current portion of long-term debt	703	703	750	750
Long-term debt-other	409	409	1,036	1,036
Long-term debt-due to affiliates	448,041	448,041	448,041	448,041

The carrying amounts shown in the table are included in the Consolidated Balance Sheets under the indicated captions. All the Company's financial instruments are held or issued for purposes other than trading.

The following notes summarize the major methods and assumptions used in estimating the fair values of financial instruments.

Investments consisted of direct investments, deposits with the CRDA and CRDA bonds that bear interest at two-thirds of market rates resulting in a fair value lower than cost. The carrying amounts of these investments, deposits and bonds are presented net of a valuation allowance or an unamortized discount that result in an approximation of fair values.

The amounts reported for advances from affiliates relate to the Company's notes payable to Aztar. The fair value was estimated based on the quoted market price for a similar issue.

NOTE 15. NON-OPERATING INCOME/(EXPENSE)

For the period ending December 31, 2001 and 2000, Non-operating Income/(Expense) consisted of the following:

	2001	2000
Interest income	$ 1,194,000	$ 1,304,000
Loss on dispositions	(118,000)	(173,000)
Rent expense	(4,845,000)	(4,845,000)
Total	$ (3,769,000)	$ (3,714,000)

STATEMENT OF CONFORMITY, ACCURACY AND COMPLIANCE

1. I have examined this Quarterly Report.

2. All the information contained in this Quarterly Report has been prepared in conformity with the Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.

3. To the best of my knowledge and belief, the information contained in this report is accurate.

4. To the best of my knowledge and belief, except for the deficiencies noted below, the licensee submitting this Quarterly Report has remained in compliance with the financial stability regulations contained in <u>N.J.A.C.</u> 19:43-4.2(b)1-5 during the quarter.

Signature

Controller

Title

005939-11

License Number

On Behalf of:

TROPICANA CASINO & RESORT

Casino Licensee

ANNUAL EMPLOYMENT AND PAYROLL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2001

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

ANNUAL EMPLOYMENT AND PAYROLL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2001
($ in Thousands)

LINE (a)	DEPARTMENT (b)	NUMBER OF EMPLOYEES AT DECEMBER 31, (c)	SALARIES AND WAGES Other Employees (d)	Officers & Owners (e)	Totals (f)
	CASINO				
1	Administration	19			
2	Gaming	1,165			
3	Slots	242			
4	Casino Accounting	437			
5	Simulcasting	12			
6	Other	0			
7	Total - Casino	1,875	$36,342.5		$36,342.5
8	ROOMS	476	9,358.3		9,358.3
9	FOOD AND BEVERAGE	1,143	19,480.8		19,480.8
10	OTHER OPERATED DEPARTMENTS				
11	Communications	21	411.5		411.5
12	Retail Shops	11	204.2		204.2
13	Transportation	146	2,534.8		2,534.8
14	Hotel Sales	10	556.3		556.3
15	Data Processing	27	1,236.1		1,236.1
16					0.0
17					0.0
18					0.0
19					0.0
	ADMINISTRATIVE AND GENERAL				
20	Executive office	19	1,715.9		1,715.9
21	Accounting and auditing	122	2,287.3		2,287.3
22	Security	244	5,606.3		5,606.3
23	Other administrative and general departments	69	2,129.3		2,129.3
*** 24	MARKETING	256	9,599.7		9,599.7
25	GUEST ENTERTAINMENT	196	2,022.5		2,022.5
26	PROPERTY OPERATION AND MAINTENANCE	343	9,019.4		9,019.4
27	TOTALS - ALL DEPARTMENTS	4,958	$102,504.9		$102,504.9

*** Marketing includes Casino and Retail Marketing

TRADING NAME OF LICENSEE TROPICANA CASINO & RESORT

ANNUAL EMPLOYMENT AND PAYROLL REPORT
SIGNATURE PAGE

FOR THE YEAR ENDED DECEMBER 31, 2001

Under penalties provided by law, I declare that I have examined this report, and to the best of my knowledge and belief, it is true and complete.

Signature

March 29, 2002
Date

Controller
Title

GROSS REVENUE
ANNUAL TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 2001

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

TRADING NAME OF LICENSEE: TROPICANA CASINO & RESORT

GROSS REVENUE ANNUAL TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 2001
($ in Thousands)

Amended
4/3/02

Line					
	CASINO WIN:				
1.	Table and Other Games Win			$	126,582
2.	Slot Machines Win			$	290,667
3.	Total Win			$	417,249
	Less - Adjustment for Uncollectible Patrons' Checks:				
4.	Provision for Uncollectible Patrons' Checks	$	3,445		
5.	Maximum Adjustment (4% of line 3)	$	16,690		
6.	Adjustment (the lesser of line 4 or line 5)			$	3,445
7.	Gross Revenue (line 3 less line 6)			$	413,804
8.	Tax on Gross Revenue - Reporting Year (8% of line 7)			$	33,104
9.	Audit or Other Adjustments to Tax on Gross Revenues in Prior Years			$	-
10.	Total Taxes on Gross Revenue (the sum of lines 8 and 9)			$	33,104
11.	Total Deposits Made for Tax on Reporting Year's Gross Revenue			$	(33,130)
12.	Settlement of Prior Years' Tax on Gross Revenue Resulting from Audit or Other Adjustments - (Deposits) Credits			$	26
13.	Gross Revenue Taxes Payable (the net of lines 10, 11 and 12)			$	0

Under penalties of perjury, I declare that I have examined this Gross Revenue Annual Tax Return and to the best of my knowledge and belief, the information contained in this return is accurate.

April 2, 2002
Date

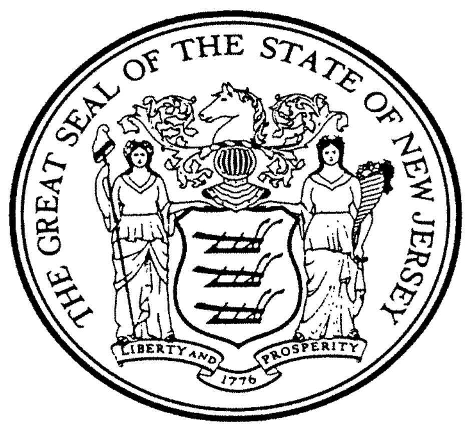
Signature

Assistant Vice President Finan
Title of Officer

SCHEDULE OF RECEIVABLES AND PATRON'S CHECKS

FOR THE YEAR ENDED DECEMBER 31, 2001

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY



TRADING NAME OF LICENSEE TROPICANA CASINO AND RESORT

SCHEDULE OF RECEIVABLES
PATRONS' CHECKS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2001

(UNAUDITED)
($ in Thousands)

Amended
4/4/02

ACCOUNT RECEIVABLE BALANCES

LINE (a)	DESCRIPTION (b)	ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE NET OF ALLOWANCE (e)
	Patrons' Checks:			
1	Undeposited Patrons' Checks	$6,667		
2	Returned Patrons' Checks	22,001		
3	Total Patrons' Checks	28,668	($16,181)	$12,487
4	Hotel Receivables	4,323	(1,535)	2,788
	Other Receivables:			
5	Receivables Due from Officers and Employees	34		
6	Receivables Due from Affiliates	0		
7	Other Accounts and Notes Receivables	1,093		
8	Total Other Recievables	1,127		1,127
9	Totals (Form CCC - 205)	$34,118	($17,716)	$16,402

UNDEPOSITED PATRONS' CHECKS ACTIVITY

LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$6,565
11	Counter Checks Issued (Excluding Counter Checks Issued Through Transactions Relating to Consolidations, Partial Redemptions, Substitutions, and Patrons' Cash Deposits)	189,725
12	Checks Redeemed Prior to Deposit (Excluding the Unredeemed Portion of Counter Checks Redeemed Through Partial Redemptions, and Excluding Checks Redeemed Through Transactions Relating to Consolidations, Substitutions, and Patrons' Cash Deposits)	(134,031)
13	Checks Collected Through Deposits	(45,311)
14	Checks Transferred to Returned Checks	(10,281)
15	Other Adjustments	
16	Ending Balance	$6,667
17	"Hold" Checks Included in Undeposited Balance on Line 16	$0
18	Provision for Uncollectable Patrons' Checks	$3,445
19	Provision as a Percent of Counter Checks Issued	1.8%

Under penalties of perjury, I declare that I have examined this Schedule of Receivables and Patrons' Checks and to the best of my knowledge and belief, it is true and complete.

April 4, 2002
Date

Signature

Controller
Title of Officer

CCC - 340